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FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)

Implementation of the Cable)
Television Consumer Protec-)
tion and Competition Act)
of 1992:)

Cable Home Wiring)

MM Docket No. 92-260

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JOINT COMMENTS OF
BUILDING OWNERS AND MANAGERS ASSOCIATION INTERNATIONAL
NATIONAL REALTY COMMITTEE
NATIONAL MULTI HOUSING COUNCIL
NATIONAL APARTMENT ASSOCIATION
INSTITUTE OF REAL ESTATE MANAGEMENT AND
NATIONAL ASSOCIATION OF HOME BUILDERS

Summary

The Commission's authority to regulate cable inside wiring under Section 16(d) of the 1992 Cable Act is severely limited by the statutory text and by the varied state property laws subject to which it operates. Consequently, Section 16(d) does not allow the Commission to comprehensively regulate the disposition of such wiring. Rather than attempting to use the rules to give all subscribers the right to acquire wiring, the Commission should concentrate on regulating the abandonment of wiring by cable operators. The gaps in the Commission's authority are exacerbated by the disparate treatment of inside wiring under different state laws, as well as the many contractual provisions between service providers and building owners. The result is that any attempt to further regulate this area would create

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disparate effects on different classes of subscribers and would prove extremely difficult to administer.

Indeed, to the extent that the Commission's current rules authorize rental apartment residents to purchase home wiring, the Commission has already entered this morass. The Commission appears to have recognized this, at least in part, by seeking comment on the disposition of wiring when a subscriber vacates his or her premises before the operator has had a chance to remove it. In light of the complications and absurd results produced by the current rules, we believe this would be an appropriate time for the Commission to take another look at the true benefits to apartment residents of the current rules. In any event, the Commission should not extend its current rules to include loop-through wiring, nor should it bar further installation of loop-through wiring.

Any regulatory scheme must take into account the legal and factual differences among apartment residents, cooperative residents, and condominium owners. They form three distinct categories, each with different legal rights and obligations and each raising different management concerns for building operators. No single rule could equitably address all three categories.

Apartment residents in particular do not benefit from the right to acquire non-loop-through cable home wiring provided by the current rules, nor would they benefit from the right to acquire loop-through wiring. Not only do they not have a long-

term interest in the property, but as a practical matter, under the statute they normally would have the right only to acquire wiring at the same time that they are leaving the unit. Thus the right does them no good. Even in those cases in which a resident remains in an apartment after terminating service, her or she has no interest in acquiring the wiring because there is no mechanism for recovering the cost of wiring when he or she does leave. Finally, to the extent video programming is delivered to the resident's premises through common spaces under the ownership and control of the building owner, ownership of the wiring in the demised premises, standing in isolation, is of no use to the individual resident at all.

Requiring building owners to acquire wiring at the behest of residents does not solve these problems. Apartment building operators must retain full control over their properties, including discretion regarding which service providers have access. In addition, the Commission has no authority to require building owners to buy wiring under any circumstances, nor to admit a service provider to ducts, conduits, and wire closets in common areas against the owner's will.

There are only two logical models for governing the ownership of inside wiring in an apartment building: the wiring may be owned either by the building owner or by the service provider. In fact, as the Further Notice of Proposed Rulemaking recognizes, both models exist today.

It is only the case in which the service provider owns the wire that concerns the Commission, but here also the Commission would do well to leave the matter to the private sector. It is not clear whether incumbent operators are more concerned with preventing a true economic loss, or with stifling competition. If leaving wire behind represents only a small loss, the Commission is being asked to intervene for no good reason. But if it is significant, regulation might implicate the Fifth Amendment. Rather than run those risks -- or attempt to impose substantial new costs on building operators -- the Commission should leave well enough alone.

Building owners already have the ability to negotiate with cable operators to acquire inside wiring, and neither need nor want Commission protection. For their part, cable operators are rational businessmen, and capable of protecting their own interests. That they may have failed to do so in some instances does not mean the Commission is obliged to step in.

Cooperatives should be treated in the same manner as apartment buildings. The owners as a group can best determine how inside wiring in the building is to be managed. Condominium owners, however, should be treated in the same manner as owners of single family dwellings for purposes of wiring in their individual units. Wiring in common areas should be under the management of the condominium association, unless otherwise provided by state law or private contract.

In sum, further Commission regulation of cable home wiring is unnecessary, and the Commission should take another look at the practical effects and disparities created by its current rules.

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Introduction

The joint commenters, representing the owners and managers of multi-unit properties,¹ urge the Commission not to further amend its rules regarding loop-through wiring. Nor should the Commission attempt to adopt rules purporting to confer on residents or owners of multiple dwelling units ("MDU's") the right to acquire cable home wiring when service for the entire building has been terminated. The Commission's proposal to amend its current rules to address the case of a subscriber who vacates

¹ The joint commenters are the Building Owners and Managers Association International ("BOMA"), the National Realty Committee ("NRC"), the National Multi Housing Council ("NMHC"), the National Apartment Association ("NAA"); the Institute of Real Estate Management ("IREM"), and the National Association of Home Builders ("NAHB"). Founded in 1907, BOMA is a federation of 98 local associations representing 15,000 owners and managers of over six billion square feet of commercial properties in North America. NRC serves as Real Estate's Roundtable in Washington for national policy issues. NRC members are America's leading real estate owners, advisors, builders, investors, lenders, and managers. NMHC represents the interests of more than 600 of the nation's largest and most respected firms involved in the multi-family rental housing industry, including owners and managers of cooperatives and condominiums. NAA is the largest industry-wide, nonprofit trade association devoted solely to the needs of the apartment industry. The IREM represents property managers of multi-family residential office buildings, retail, industrial and homeowners association properties in the U.S. and Canada. NAHB is a trade association representing the nation's housing industry. NAHB's 185,000 member firms are involved in the development and construction of single family housing, the production and management of multi-family housing, and the construction and management of light commercial structures.

The joint commenters are also filing comments in the Commission's inside wire rulemaking in Docket No. 95-184 (the "Inside Wire NPRM") and, in a third filing, are submitting combined comments in this docket and Docket No. 95-184 regarding the regulatory flexibility analyses required by 5 U.S.C. § 601 et seq.

the premises before the service provider has had a chance to remove the wiring demonstrates that the current rules are flawed -- but proposes to correct the flaws in the wrong way.

As an initial matter, the Commission should recognize that its authority is limited, and it cannot comprehensively regulate acquisition of home wiring by subscribers. Its statutory authority is limited to abandonment of wiring by cable operators. In addition, the Commission should recognize important distinctions among condominiums, cooperatives, and rental apartment buildings. The Commission's current rules are adequate with respect to condominium unit owners, but they should not be applied to apartment or cooperative residents.

In general, the issues raised in the Further Notice of Proposed Rulemaking ("FNPRM") are best left unregulated, except by state property law and private contract. Any other approach will prove impractical, and might involve the Commission in an unconstitutional taking in violation of the Fifth Amendment.

I. THE AUTHORITY GRANTED TO THE COMMISSION BY SECTION 16(d) OF THE 1992 CABLE ACT IS LIMITED.

Underlying the FNPRM seems to be the assumption that all residents of MDU's should own their own cable wiring, regardless of their status as owners or residents. This assumption is apparently grounded in the desire to give such residents a choice of multichannel video service providers and the belief that Section 16(d) of the 1992 Cable Act requires that all MDU residents have the opportunity to acquire such wiring. These

views ignore the limitations on the Commission's authority imposed by Section 16(d).

Section 16(d) of the Cable Act states that "the Commission shall prescribe rules concerning the disposition, after a subscriber to a cable system terminates service, of any cable installed by the cable operator within the premises of such subscriber." 47 U.S.C. § 544(i). The Commission's rules restrict this language somewhat by referring only to "cable home wiring." 47 C.F.R. § 76.801.

Thus, the Commission's authority is expressly limited in a number of ways:

- o The Commission only has authority over cable operators, who voluntarily bring themselves under the Commission's jurisdiction by engaging in the provision of cable service;
- o The Commission may only address ownership of the wiring upon termination of service;
- o The rules may only apply to wiring installed by the operator;
- o The rules may only apply if termination was requested by the subscriber; and
- o The rules may only apply to wiring installed within the subscriber's premises.

The Commission's authority is also implicitly limited to those cases in which the operator owns the wire. That is, if the terms of a contract or state law provide that the landlord owns

the wire, the Commission cannot act. Otherwise, the Commission would be effecting a taking of the landlord's property, and the statute does not provide express authority for a taking.²

Finally, Section 16(d) does not prescribe the content of the rules to be adopted by the Commission; thus, the Commission has discretion not to address particular situations, if regulation is unwarranted or would prove counterproductive.

The effect of the limitations on the Commission's authority over cable wiring is to exclude a large number of MDU residents, including residents in buildings in which the operator did not install the wiring, residents in buildings in which the operator does not own the wiring, and tenants in buildings in which the landlord terminated service, and not the resident.

With respect to the last case, we note that the FNPRM requests comment on whether the Commission's rules apply when the owner of an MDU terminates service for the entire building. We would contend that they do not, for two reasons. First, because much of the wiring in a building is not "cable home wiring," as required by 47 C.F.R. § 76.801. And second, because a subscriber

² We have discussed the law of takings under the Fifth Amendment at length in our comments in Docket No. 95-184, and in the interest of space will not repeat them here. Although the context differs, the principle remains the same: the Commission does not have the authority to effect a taking, nor does it have the authority to provide compensation. In enacting Section 16(d), Congress did not authorize a taking, but merely directed the Commission to address the disposition of cable installed by a cable operator within a subscriber's premises; thus, the Commission has discretion to regulate the operator's abandonment, but not necessarily to effect a taking, of cable wiring.

is a "member of the general public who receives broadcast programming distributed by a cable television system and does not further distribute it." 47 C.F.R. § 76.5(ee). Under that definition, a landlord is not a subscriber. We also contend that Section 16(d) does not give the Commission authority over such situations, again because a building operator is neither a subscriber nor a cable operator.

We also note that the Commission's distinction between loop-through and non-loop-through wiring is inapt. Many residents receive cable service through non-loop-through wiring but fall outside the Commission's jurisdiction for the reasons set forth above: the wiring may have been installed by the building owner; the terms of an agreement between the building owner and the operator may provide that the wiring is actually the landlord's property; state law may provide that the wiring is a fixture and thus belongs to the landlord; or service may have been terminated by the landlord and not the resident. Thus, banning future installations of loop-through wiring will not advance the Commission's goals significantly, and will only limit the landlord's and the cable operator's options.³

In any event, the practical point is that the Commission cannot impose a rule that will extend to all MDU residents.

³ We also question the Commission's authority to ban loop-through wiring. Building owners and managers are neither carriers nor cable operators. Beyond addressing signal leakage and interference problems, the Commission has no jurisdiction over the technical means building operators may choose to provide their residents access to video programming.

Indeed, the multiplicity of scenarios created by different state laws and contractual provisions is so great that the Commission cannot even determine what effects any rule might have. As discussed below, the only sound approach is to avoid giving residents who do not own their units any right to acquire inside wiring, and leave the matter to agreements between operators and landlords, or to settlements between different service providers.

II. RENTAL BUILDINGS AND OWNER-OCCUPIED BUILDINGS PRESENT DIFFERENT PRACTICAL PROBLEMS AND MUST BE TREATED DIFFERENTLY.

In addition to the limitations on its authority, Commission should consider certain practical realities.

First, the Commission should recognize in analyzing this issue that there are three principal categories of individuals involved: apartment residents, cooperative residents, and condominium owners.

Second, the Commission must consider the differences in how various types of MDU's are managed. Cooperatives and condominiums are often entirely owner-occupied, and they are by their nature resident-managed. This means that decisions regarding such issues as whether a multichannel video service provider should be allowed access to a building are made by a vote of the residents, or of their elected Board of Directors. Apartment buildings, of course, are not resident-managed, and the landlord is responsible not only for common areas, but for individual apartments.

Third, the Commission should take into account the different legal rights and responsibilities of residents and owner-occupants regarding the premises they occupy. The first and most important distinction between an apartment resident and an owner-occupant is that a resident has only a possessory interest in the property, not an ownership interest. Having made a much more limited financial commitment, apartment residents have a lesser legal interest in their property than do condominium or cooperative owners, and as a practical matter are generally less attached to the property. They also do not have such additional expenses as property taxes or maintenance costs, either for their units or for common areas and pay much lower insurance premiums, if any. Thus apartment residents have fewer rights but correspondingly fewer commitments.

The combination of these factors means that rental buildings present different management problems than owner-occupied buildings. They suffer higher turnover rates, often incur higher maintenance costs, and must deal with marketing expenses to maintain occupancy rates.

Because apartment residents are more transient and do not have a long-term financial interest in either their apartments or common areas, it is essential for the owner of the building to have full control over the property. Not only has the owner made a very large investment to acquire the property, but the "problem of the commons" means that apartment residents may be less concerned with maintaining common areas (and even their units) in

good condition. The building owner is the only person with an interest in the long-term well-being of the entire building and all its residents as a group.

For example, the owner's interest in reducing turnover and attracting new residents gives him or her an incentive to provide residents with whatever benefits or amenities the property can afford. In many cases, of course, those benefits may be limited because the income generated by the property cannot justify additional expense. Many factors, such as the age, size, design and construction of the building may affect whether it is economically feasible to provide a particular service. A forty-year-old, three-story garden apartment, for instance, is not likely to be retrofitted with an elevator, no matter how much the residents might want it. The same is true for cable television: economic factors may not justify its installation in some cases.⁴

In addition, building owners must have control over their premises for the other reasons discussed in the Inside Wire NPRM. Safety and resident security are particularly important in the residential context.

Cooperatives are similar to apartment buildings in that the owner of the building is responsible for the entire building.

⁴ As an aside, we note that the Commission must also consider that in many cases cable television operators do not find it economically feasible to install cable in buildings, even if the landlord has requested it. The expense of installation may not be justifiable if cable "buy rates" in the building will not provide an adequate return on investment.

Again, building management is the one entity responsible for the well-being of the entire community constituted by the residents. But in this case, management and the community are aligned. While owner-occupants may technically only rent their units, they have considerable voice in the management of the building because they also own a share in the building.

Unit owners in condominiums are also aligned with building management. They, too, are legally and financially responsible for the maintenance and upkeep of common areas and for decisions regarding access by multichannel video service providers. And, just as important, they are fully responsible for their own units; association management has no ownership interest in the interior of a unit. Thus, a condominium unit owner has different rights and responsibilities than an apartment resident, and should be treated differently.

For all these reasons, the Commission should distinguish among inside wiring in rental units, wiring in cooperatives, and wiring in condominiums.

**III. UNLESS MODIFIED BY CONTRACT OR STATE LAW, THE
OWNER OF THE PREMISES SHOULD CONTROL ANY INSIDE WIRING.**

The fundamental rule the Commission should apply is that the owner of the premises should have the authority to exercise control over inside wiring, subject only to state property law, or a lease or other contract.

A. The Demarcation Point Should Be at the Property Line.

For the reasons discussed below and in the Inside Wire NPRM, the demarcation point should be as close to the property line as practicable. The discussion that follows flows from that simple rule. Beyond the demarcation point, ownership of the wire should depend on contract or state law. Whether the wiring is loop-through or non-loop-through is irrelevant. Furthermore, under no circumstances should a resident have a property interest in wiring outside his or her premises. Thus, if an apartment building operator chooses to allow its residents to control their inside wiring, wiring running from the unit to the demarcation point at the property line should be under the building owner's control, unless otherwise agreed with the cable operator or provided in state law.

B. Residents in Rental Buildings Should Have No Ownership Interest in Inside Wiring.

There are, in theory, two logical approaches to the question of who should own cable television wiring in a rental apartment building. Either the building owner should own all the wiring in the building, or the service provider should own all the wiring. There is no third ownership option.

To the extent that the Commission's current rules may be deemed to apply to apartment residents, they should be revised. For one thing, many residents live in buildings in which the operator did not install the wiring, so Section 16(d) of the 1992 Cable Act does not apply -- this creates at least two classes of apartment residents: Those living in apartments which the

operator installed the wiring (in which case Section 16(d) may -- or may not -- apply); and those in apartments in which the operator did not install the wiring (in which case, Section 16(d) clearly does not apply).

It also is largely impractical for the resident to own the wiring, because the resident has only a temporary and often short-term possessory interest in the property.⁵ It is generally at odds with the nature of a tenancy to own semi-permanent facilities that are installed on premises that the resident does not own. For instance, as discussed further below, giving the resident the right to acquire the wiring upon termination of service is nonsensical. Is the resident to take the wiring when he or she leaves? Indeed, the FNPRM notes the difficulty created by this rule, when it asks for comment on what procedures should apply when the resident vacates before the seven-day removal period ends. FNPRM at ¶ 42. The solution is that the rule should not apply to apartment residents at all.

The matter is further complicated by state law. For example, in some states, cable wiring will be treated as a fixture, in which case the Commission cannot grant the right to acquire the wire anyway, because it does not belong to the operator. On the other hand, if the resident paid for its

⁵ This is not to say that there are no long-term apartment residents, but only to note that they are a minority, and the Commission cannot structure a regulatory system around them. As discussed earlier, building owners face significant management problems and have a greater interest in the long-run success of the building than do their residents as a class.

installation, cable wiring may be treated as the resident's property in some states, despite its semi-permanent nature, in which case the resident does not need the right. Finally, in some states the operator will own the wiring -- but as discussed in Part I, this only emphasizes the Commission's inability to establish a uniform rule or predict the effect of any rule.

Finally, state law aside, the matter is further complicated by the ability of operators and building owners to assign ownership of the wiring by contract.

An important point to bear in mind in this discussion, as noted in the First Order on Reconsideration accompanying the FNPRM, is that current technology does not allow multiple video programming providers to deliver their services over the same wiring at the same time. Thus, the only way for residents of any MDU to receive service from more than one such provider is if an alternative provider has access to a building and runs its own wires.⁶ This is a relatively uncommon situation.

The Commission must also consider the practical differences between apartment residents and owner-occupants in the context of the treatment of cable wiring. Ordinarily, when an apartment resident's lease expires, or the resident gives notice, the resident leaves within a relatively short time. The resident has no interest at that point in acquiring any inside wiring. Thus, to apply the Commission's current rule in that context makes no

⁶ Please see our concurrent comments on the Inside Wire NPRM for a discussion of the right of access of by providers.

sense, since it leaves the operator a choice of removing the wiring or abandoning it. And because the operator may not have access to the building, much less the unit, removing the wiring is not a practical option. If the resident merely terminates service, he or she again has little interest in acquiring wiring that he or she will no longer be using, because he or she does not have a permanent interest in the property.⁷ This time the operator is more likely to have access, but as long as it is the only provider in the building, it has no incentive to remove the wiring either.

The issue only matters when service to an entire building is terminated, in which case the operator does have an interest in removing the wiring, so as to make it more difficult for a competing provider to take over service. But then the benefit is to the operator and not to the resident, so giving the resident the right to acquire the wiring is meaningless. Furthermore, any action that will make termination of service by any person more difficult or expensive is anticompetitive. Such a rule would encourage higher prices, poor service and inefficiency on the part of incumbent service providers. Thus, in most cases it makes little sense for an individual resident to have the right

⁷ This is in contrast to the condominium owner, who may choose to acquire the wiring because it enhances the value of the property. Not only does an apartment resident not care about the long-term value of the unit, but if he or she moves after acquiring the wiring, there is no way for the resident to recover the purchase price of the wiring. Once again, giving the apartment resident the right to acquire the wiring makes no sense whether the wiring is loop-through or not.

to acquire wiring, or for the operator to have the right to remove it.

A building owner may see a benefit to acquiring the wiring in such an instance, but only if it does not already own the wiring either by contract or under state law. Thus, any Commission action must take into account the likelihood that the building owner already has rights in the wiring. Furthermore, cable operators and building owners are fully capable of negotiating these issues either at the outset, when the wiring is installed, or at the time of termination. There is no need for the Commission to act when reasonably prudent businessmen can handle the contingency. In addition, any formula for setting a price on wiring will not adequately account for the multiplicity of situations that will arise in practice. Establishing a formula for subscribers to pay is one thing -- they are not in a position to negotiate effectively -- but cable operators and building owners are fully capable of protecting their interests.

The building owner and service provider ownership models, however, avoid most of these problems. For example, under the first option, if a resident departs or terminates service, nothing happens. The landlord owns the wiring, and if a new resident moves in or the original resident decides he or she wants service again, the wiring is there, ready for use. This system is simple and easy to administer and requires no action by the Commission.

The second theoretical option is almost as simple. If a resident leaves or terminates service, again nothing happens to the wiring. And if service is later resumed, nothing happens. But if a resident requests service from a different service provider, or if the building owner enters into an agreement with a different service provider, then a transfer of ownership of the wire may be necessary.⁸ In that case, the simplest alternative is for the new service provider to pay the old service provider to acquire the wiring.⁹ This alternative also has the virtue of leaving the landlord out of the business of owning wire if it is so inclined. As discussed above, if the building owner wants to acquire the wiring, it always has the option of negotiating for its purchase -- but under current law and regulation it can do so at any time, even when no termination is contemplated, so the Commission need not concern itself with that issue.

But these options are theoretical. In reality, of course, both models already exist. Many building owners own the cable wiring on their premises, either because they paid for it to be

⁸ We note here that we oppose any plan that would require a building owner to admit a service provider without its consent. As discussed in the accompanying comments in the Inside Wire NPRM, the landlord's interest in preserving safety, security and effective management of the building is paramount. Thus, we also oppose any requirement that a landlord purchase loop-through wiring.

⁹ We recognize that these are practical objections to this model, such as technical incompatibility. Still, if the new provider cannot make use of the wiring, it makes no difference to anybody who owns it. On the other hand, if the wiring is compatible, it will be difficult to get the outgoing provider to agree on a price. But that is a matter between service providers -- it does not justify involving a building owner.

installed, because of the terms of a contract with a service provider, or as a matter of state law. In other cases they do not. Again, this may be by agreement with the provider that installed the wire, or because any agreement is silent and state law permits the service provider to retain title.

It is only the case in which the service provider owns the wiring that concerns the Commission, and even then only if a new service provider is involved. Does the value of the wire left behind represent a significant loss to the outgoing service provider beyond its value as an obstacle to its competitors? If so, Commission action raises a potential violation of the incumbent operator's Fifth Amendment rights, and the Commission should not act. If not, then the matter is dealt with by the existing rule as well as can be done within the law.

We are concerned that any attempt to resolve the impasse between service providers might impose new obligations on building owners by requiring them (directly or indirectly) to take over ownership and control of inside wiring involuntarily and by forcing them to pay higher than fair market value. Those building owners that desire it always have the option of buying inside wiring -- loop-through or non-loop-through -- that they do not already own, and that right should not be impeded by Commission regulation. Others have no desire to enter into a new line of business, and should not be forced to do so. For their part, cable operators are fully capable of negotiating contracts that protect their interests upon termination of an access

agreement. That they may have failed to do so on some occasions in the past does not mean Commission action is required.

Ownership of inside wiring should remain a matter of private contract and state property law. Indeed, the question of how and when wiring may or may not be removed should also be left to agreement between the cable operator and the building owner.

So our position is clear: the Commission should not expand the right of apartment residents to acquire inside wiring of any kind because it will do them little or no good and merely complicate the situation for all concerned. Indeed, the Commission should reconsider the merits of its current rule in the case of apartment residents, because of the absurd results it creates. If, however, a building owner is willing to allow its residents to acquire or install inside wiring -- from a service provider or anybody else -- in accordance with terms set out in a lease, this should be permitted. Such an approach would provide maximum flexibility while avoiding unnecessary administrative burdens and expense.

Under no circumstances, however, should a resident's rights in wiring extend beyond the limits of the demised premises, and a resident must be precluded from interfering with wiring installed to serve other parties that happens to cross the resident's premises. In addition, the landlord must retain the right to obtain access to the wiring and control the type and placement of such wiring. This is essential to address the safety and management concerns discussed earlier: otherwise, for example,

the landlord would be unable to correct a fire code violation for improper installation of a cable, even though the landlord could be found liable.

For the same reasons, the landlord must retain the authority to decide who provides service in a building. Residents are not responsible for building management, and access to a particular cable operator is an attribute of management. In the extremely unlikely case that all the residents of a building desire to terminate service and retain a different provider, the final decision is still the landlord's and no action by the residents can or should impose any obligation on the landlord. This includes the obligation to buy inside wiring, as suggested by the FNPRM.

In conclusion, attempting to resolve by regulation disputes between outgoing and incoming service providers is a morass for the Commission that the private sector, if left to its own devices, can ultimately resolve.

**C. Cooperatives Should be Treated in
the Same Manner as Apartment Buildings.**

Because the owners of a cooperative own the entire building and management of inside wiring should ultimately be under the control of the owners of the building if they so desire, cooperatives should be treated as apartment buildings. If the building management -- that is, the owner-residents -- choose to allow themselves to be responsible for their own individual wiring, then they will have that right. But if the management

votes to keep inside wiring under common control, it should also have that right.

If an owner-occupant becomes dissatisfied with the decisions made by the majority, he or she has the option of selling his interest and finding a more amenable place to live. But that is no reason to hinder or question the authority of the rest of the residents in such cases. Thus, the Commission need not concern itself with the rights of cooperative residents to acquire their own wiring.

D. Owners of Condominium Units Should Have the Right To Acquire Cable Wiring Within Their Premises.

The Commission's current rules adequately address the rights and interests of condominium unit owners because they should be treated the same way as owners of single-family residences. As with cooperatives, however, issues regarding common areas should be left to the homeowners' association. The condominium owners as a group are capable of deciding how inside wiring within their common premises should be treated for the common good, and they are capable of dealing with service providers. Again, Commission regulation is not needed in this area.